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AirAsia Group plans raising around $600 mln in 2021

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Kuala Lumpur: AirAsia Group plans to raise the US $ 485 to 606 million during the year 2021 through a combination of borrowings and equity funding "to ensure sufficient liquidity for the group," stated in its latest financial statements covering the first quarter of 2021.

AirAsia posted its seventh consecutive quarter of net losses at the end of May amid ongoing travel restrictions, compounded by a third nationwide lockdown in Malaysia imposed from June 1 until at least June 14. It recorded a loss of US$186 million for the quarter, compared to US$195 million for the same period last year.

AirAsia has so far raised US$ 81.5 million from two tranches of private placements earlier this year, and it is "also currently renegotiating lease terms with all its lessons."

In addition, it has "ongoing deliberations with a number of parties for joint ventures and collaborations that may result in additional third-party investments in specific segments of the group's business." And it claimed to be in talks with financial institutions to obtain further funding.

"Through these various fundraising exercises that the group is working on, the group foresees it will have sufficient liquidity to sustain the business operations," the company concluded in its commentary on its prospects in the financial statements.